

APPENDIX L

“1151” TRANSFER PROCEDURES

A. Summary of Basic Procedure

The transfer process is a series of five distinct steps following notification of availability of funds: Agency Request; Request Review and Approval; Cash Availability Determination; Treasury Approval; and Transfer of Funds. Funds are transferred to the allocation account at the agency headquarters. Agencies are responsible for coordination with their finance offices to ensure timely and proper distribution of transferred funds for use by the local/regional office to carry out the approved projects, as well as tracking/accounting of transferred funds on a per project basis.

Each eligible agency initiates the transfer process by submitting a request to the BLM Las Vegas Field Office, SNPLMA Division. The requests are then reviewed for completeness and accuracy by the SNPLMA Division and approved by the SNPLMA Program Lead or his/her designee, and then forwarded to the BLM National Business Center (NBC). The NBC ensures sufficient cash availability from investments in the Special Account and forwards the request to the BLM Washington Office Budget Group for transfer. The BLM WO Budget Group enters the transfer data into the Department of the Treasury Financial Management Service’s system and certifies the transaction. Treasury reviews the transfer request, and if it is in order (correct account information and legal citation), the transfer is processed. When Treasury changes the status of the transaction to “Star Posted,” the funds are available for use by the receiving agency. When the BLM NBC receives confirmation from the BLM WO Budget Group that Treasury has completed the transfer, the BLM NBC records the transfer in the Federal Financial System (FFS) which is the BLM’s official accounting records, and advises the SNPLMA Division in writing that the transfer has been completed and posted in FFS. The SNPLMA Division will then notify the local agency representative in writing that the transfer has been completed.

B. Specific Guidelines

- *Appropriate Transfer Frequency:* The nature of the project and accomplishing on-the-ground results drives the appropriate funding basis for transfers, i.e., annual, quarterly or one-time. Small projects of a short duration which can be initiated and completed in less than one year, and projects involving contracts where funding must be available prior to awarding of the contract are examples of work/projects where an annual or one-time funding may be more appropriate than funding on a quarterly basis.
- *Transfers at Logical Stages of the Project:* The Solicitor’s opinion on advanced payments and instructions that payments should be made at logical stages in the life of a project is binding on the BLM. (Examples of “at logical stages” are provided in the preceding bullet.)
- *Balance Results and Interest Earned:* The BLM recognizes a balance must be maintained between on-the-ground results and interest earned.

- *Transfer Request and Report Spreadsheets:* The BLM will provide each agency with an Excel spreadsheet with two worksheets – one a transfer request and the other a report worksheet. The spreadsheets will identify projects by Round, include the name of each project, total amount available which will include the amount approved by the Secretary of the Interior, plus the 10% contingency and any additional funds which have been approved by the Executive Committee, project number, etc.
- *Annual Transfer Request with Quarterly Transfers:* Each agency submits an annual fiscal year transfer request identifying their funding needs for each project on a quarterly basis unless the project or a portion of the project lends itself to an annual or one-time funding basis as described above. As Secretary Approval does not necessarily coincide with the fiscal year, a partial annual funding request may be made after notification of availability of funds following Secretarial approval of a new Round.
- *Provisions to Monitor Obligation/Expenditure of Transferred Funds to Avoid Making Advance Payments:* The February 2005 solicitor's opinion determined that SNPLMA funds are appropriated funds and specified that advance payments are prohibited unless a specific appropriation or other law authorizes it. Because SNPLMA does not authorize advance payments, agencies are expected to identify quarterly transfer amounts consistent with how much they anticipate being able to either expend or obligate during that quarter. If the amount of previously transferred funds expended/obligated by the agency is less than 95%, the agency must provide an explanation on the project report spreadsheet. If the difference in the percent complete compared to the percent of total available funds provided is more than 10%, the agency must provide an explanation on the transfer report spreadsheet. If these differences continue to grow, future transfers could be delayed until the agency obligates or expends funds already provided to make appropriate progress on the project. The SNPLMA Division will consult with the receiving agency as soon as there appears to be a higher than expected discrepancy between funds expended vs. provided and progress vs. funds provided. If the SNPLMA Division believes a transfer should be delayed, it will first advise the agency of its recommendation, and then consult with the Partners Working Group for concurrence. If the Working Group concurs, the SNPLMA Division will coordinate with the receiving agency to determine what criteria and documentation need to be received in order to resume transfers for the affected project.
- *Transfer Request Quarterly Updates:* If an agency has any changes in project funding requirements or circumstances (e.g., termination, on hold), the agency will submit an updated transfer request for that fiscal year. Quarterly transfer funding updates should carry over prior quarterly transfer requests and update all columns to be filled in by the Agency. This includes total of monies previously transferred, amount of previously transferred funds that have been expended/obligated, percent complete, and appropriate comments such as identifying projects that have been cancelled or placed on-hold, explanation of delays in expending funds or accomplishing planned work in a timely manner. The BLM SNPLMA Division will revise spreadsheets to reflect increases in funding from SAR, BRA, or NAC funds and forward the updated spreadsheets to the agency for use with its next transfer request. If no quarterly update is required, the agencies shall include information in their

quarterly status report regarding the amount of transferred funds expended/obligated and the percent of project completion.

- *Agency Investment of Funds:* Agencies authorized to invest SNPLMA funds are strongly encouraged to invest the funds transferred to them in order to maximize interest earning.
- *Schedule for Regular Quarterly Transfers:* Transfers will be made on the first business day of each quarter in accordance with the annual funding request and quarterly updates. If an agency does not submit an update to its annual transfer request by the 15th of the month preceding the start of a new quarter, the BLM SNPLMA Division will automatically process the transfer request for the next quarter by revising the spreadsheet to reflect funds transferred in the prior quarter(s) and the amount of the current quarter's transfer as indicated by the agency on its initial annual or last updated annual transfer request spreadsheet.
- *Fourth Quarter Transfer Requests:* Agencies' fourth quarter requests should include sufficient funds to cover the first month of the new fiscal year in order to avoid a shortage of funds during that first month due to potential first quarter transfer delays resulting from end-of-year closeout procedures and dates on which new fiscal year payments, obligations, and transfers can be made.
- *First Transfer Request for a New Project:* Agencies will continue to be required to request the transfer of funds no later than one year following their receipt of the *Funds Availability Notification* letter from the BLM Las Vegas Office. Agencies shall also submit the estimated necessary expense cost sheet for the new project(s) including milestone and completion dates.
- *Project Close Out:* Once an agency has successfully completed a project, it will provide the BLM Las Vegas Field Office with an accounting of the funds used, description of the completed project as confirmation that the project was completed as described in the approved nomination or consistent with an approved change of scope, and return any surplus funds that were transferred to them to the SNPLMA Special Account.
- *Restrictions on Use of Transferred Funds:* Agencies may use transferred funds to complete a project up to, but not exceeding, the total amount available as approved by the Secretary and including any additional approved SAR, BAR, or NAC funds. Funds may not be redirected from one project to another.
- *Additional Funds:* Requests for funds in addition to those approved for a project by the Secretary are to be submitted and processed in accordance with the SNPLMA Implementation Agreement.
- *Agency Accounting for Transferred Funds:* Agencies will be required to keep a detailed accounting by category and project number that references the Secretary's approval. (Agencies will use the appropriate financial system reports to document fund expenditures. Backup documentation which may be necessary upon an auditor's request will be made available at that time.)

- *Scope of Projects and Allowable Necessary Expenses:* All projects will need to be consistent with the scope of the project as approved by the Secretary and include only allowable necessary expenses as defined by the Implementation Agreement. Changes in scope must be approved in accordance with the processes and procedures outlined in the Implementation Agreement.
- *Time Line for Project Completion:* As mentioned above, Agencies must submit their Necessary Expense Cost Estimate Sheets, including milestones, and completion dates with the initial transfer requests. Requests for extensions of time must be approved in accordance with the policies and procedures outlined in the Implementation Agreement.
- *Points of Contact:* Agencies are to nominate an individual(s) to act as a point of contact for the reporting requirements identified above. Names of the point(s) of contact are to be provided to BLM NSO. Agencies are also to provide a headquarters financial contact for the actual transfer of funds to help ensure that agencies headquarters properly route the funds once deposited in the agency's allocation account.
- *Timing of Annual and Quarterly Update Requests:* Annual transfer requests are to be submitted at least 30 calendar days in advance of the fiscal year. Subsequent quarterly updates are to be made no later than the 15th of the month preceding the first business day of each quarter. A partial annual funding request may be submitted anytime after notification of availability of funds is received following Secretarial approval or a new Round of projects.
- *Requesting Purchase Funds for Land Acquisitions:* Since funds are to be transferred during the quarter in which they're to be expended or obligated (i.e., logical stages in the life of the project), agencies are not to request transfer of purchase funds (the bulk of the acquisition funds) until they have agreement on price with the owner, and can confirm that they are ready to close the acquisition and utilize the purchase funds within the quarter requested. Requests to transfer purchase funds outside of the normal quarterly transfer cycle will be processed when received if necessary to meet the Agency's deadline to complete the acquisition. Agencies must include a copy of the appraisal review and value approval document as evidence that the amount of purchase funds being requested is consistent with the value approved through a Federally approved appraisal.

C. Converting Projects in Rounds 1 through 5 from Reimbursement to Transfer

Conversion of projects in Rounds 1 through 5 from reimbursement to transfer represents a substantial workload for all agencies. Before the BLM can process a transfer request, which would represent an outlay, the BLM must first establish what outlays were made under reimbursement authority and then de-obligate only the remaining amount. (See Instructions for Preparation of Transfer Request, Appendix L-1 for guidance on how agencies establish funds to remain under reimbursement authority when preparing requests to convert a portion of projects to transfer.)

To better manage workloads, the general expectation is for projects that are substantially

completed to continue under reimbursement authority unless an agency has determined there is a compelling business need to complete the remainder of the project under transfer authority. For projects in Rounds 1 through 5 where BLM has obligated funds, agencies may request a conversion from a reimbursement of funds to a transfer of funds³ as follows:

- *Requests for Conversion:* Agencies submit a request to convert from a reimbursement of funds to a transfer of funds to the BLM LVFO. The request is to include a cover memo summarizing the conversion request and a completed transfer request spreadsheet for Round 1 -5 projects. The LVFO will disseminate a fully populated transfer request spreadsheet modified for converting Round 1-5 projects to each agency. If reimbursement for funds already expended for these projects is being requested at the same time as the conversion, the required reimbursement documentation must be provided as described in the Implementation Agreement.
- *De-Obligation for IGO/Task Order and Approval of Transfer Request:* The LVFO, in coordination with the appropriate Contracting Officer, will prepare a Reimbursable Work Authorization (RWA), Inter/Intra-Agency (IA) form or an Intra-Governmental Order form to de-obligate the appropriate amount on the original IGO or task order. The de-obligation documents will be sent to the NSO for processing along with a copy of the signed transfer request spreadsheets.
- *Review and Approval of Transfer Request Spreadsheets:* The LVFO will review and approve the transfer request spreadsheets as described under “Summary of Basic Procedure” above. The original transfer request spreadsheets will be forwarded to the BLM NBC for processing when the de-obligations are completed.
- *Executing and Processing De-Obligation Documents:* The NSO will send the de-obligation documents to the requesting agency for signature by their Contracting Officer or other agency authorized official and returned to the BLM NSO. Upon receipt of the signed document the BLM NSO will execute the de-obligation document, enter the de-obligation into FFS, and notify the BLM NBC to forward the transfer request to the BLM-WO Budget Group for transfer.
- *Submitting Transfer Request to Treasury:* The BLM-WO Budget Group enters the transfer data into the Department of the Treasury Financial Management Service’s system and certifies the transaction.
- *Treasury Processes Transfer Request:* Treasury reviews the transfer request, and if it is in order (correct account information and legal citation), the transfer is processed. When

³ As agencies transition their Rounds 1 through 5 projects from a reimbursement of funds to a transfer of funds, there may be instances where some projects will need to be under both reimbursement and transfer authority for some period of time. This may occur when an agency has outstanding obligations in which expenditures (payments) have not been made while new project tasks would be best handled under transfer authority. Under these conditions, it is incumbent on the BLM and the requesting agency to carefully monitor the reimbursement and transfer processes. A revised Transfer Request Form will be disseminated under separate cover for projects that fall within this category.

Treasury changes the status of the transaction to “Star Posted,” the funds are available for use by the receiving agency.

- *Confirmation of Completion of Transfer:* When the BLM NBC receives the Treasury confirmation from the BLM-WO Budget Group that the transfer has been “Star Posted,” the BLM NBC records the transfer in the Federal Financial System (FFS) which is the BLM’s official accounting records and notifies the SNPLMA Division and NSO that the transfer has been completed.

D. Reporting Requirements for Transferred Funds

- ***Progress Reports:*** Project managers for individual projects are required to submit a quarterly narrative status report on a per project basis to the BLM Las Vegas Field Office, SNPLMA Division. These reports, in conjunction with the completed transfer request spreadsheets should satisfy most annual and quarterly reporting requirements. If annual updated transfer requests are not submitted for any given quarter, the narrative status report should include the amount of funds previously provided that have been expended or obligated by the agency and an updated percent of completion for the project.
- ***Miscellaneous and Ad-hoc Reports:*** Each agency may be requested from time-to-time to provide status reports and other financial data for the annual report to Congress, and information needed by the BLM to respond to special requests from the DOI, OMB, Treasury and Congress.
- ***OMB and Treasury Reports:*** Agencies are expected to coordinate with their respective financial centers to ensure timely submission of their Quarterly SF-133, annual FMS 2108, and monthly Trial Balance (5th day of the month) as required and to provide the BLM NBC with a copy of their submissions.